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SUBJECT: ASSISTANT SECRETARY HILL VISIT TO VIETNAM

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11. (SBU) Summary: In a March 2-3 visit to Hanoi, Assistant Secretary for East Asia and Pacific Affairs Christopher R. Hill met with the GVN Ministry of Foreign Affairs (paras 2-12) and National Assembly (paras 13-15), the Communist Party of Vietnam (paras 16-20), religious leaders (paras 21-23), nongovernmental experts (paras 24-26), AmCham and the press. In his GVN meetings he discussed a possible visit by Prime Minister Dung to the United States, raised human rights issues and concerns over adoptions, and pushed for GVN support for a New Embassy Compound in Hanoi. On regional issues, both governmental and nongovernmental interlocutors expressed a desire for the United States to play an active role in supporting Vietnam's position in its confrontation against China in the South China Sea. MFA and Party leaders confirmed that, while an invitation had been extended for the DPRK's Kim Jong Il to visit Vietnam, no date had been set. A/S Hill's visit received extensive and positive media coverage (para 27). End summary.

MFA: No Dates for PM Visit to Washington

12. (SBU) A/S Hill's meeting and subsequent dinner with Vice Foreign Minister Dao Viet Trung were also attended by Northeast Asia Department Director Bui Trong Van, Policy Planning Department Director Bui Thanh Son and Americas Department Deputy Director Ha Kim Ngoc. VFM Trung began by expressing the GVN's appreciation for President Bush's invitation to Prime Minister Nguyen Tan Dung to visit the United States this year. He emphasized the value that the GVN places on such contacts between our leaders and confirmed that the PM's office is still working on his schedule. Trung said the GVN would welcome a specific proposal regarding the timing of the visit. A/S Hill said the President is looking forward to hosting PM Dung in Washington and pointed out that after July/August, arranging a visit would be increasingly difficult in an election year. Concerning the substance of the visit, A/S Hill mentioned educational cooperation, Vietnamese participation in GPOI, an investment treaty and land for a new U.S. Embassy in Hanoi as areas that could yield potential deliverables for the trip.

13. (SBU) Hill noted that the current U.S. Embassy did not adequately reflect the importance that the U.S. attaches to our bilateral relationship. Trung responded that the GVN was helping the U.S. Embassy secure its future site in the Ciputra area of Hanoi, but the GVN also needs USG attention to its need for a new embassy in Washington. The GVN welcomes information on the possibility of the USG opening a consulate in Danang; at the same time the GVN hopes to open another consulate in the United States and will send the relevant information soon.

14. (SBU) Hill noted the need to work together on the problematic issue of adoptions, where the USG has serious concerns about the process in Vietnam. Trung responded that the GVN takes note of USG concerns; the Ministry of Justice has the lead on this issue and is taking the necessary measures.

GVN Wish List for Further Economic Cooperation

15. (SBU) VFM Trung ran down a lengthy list of initiatives in the areas of trade and economic cooperation, many of which are already in train, that the GVN would like to pursue. After citing the positive outcome of the first TIFA negotiations, Trung urged further strengthening of bilateral cooperation in the areas of trade, investment, science, technology, education and training. He also asked for continued U.S. assistance in support of Vietnam's economic development; removal of the temporary apparel monitoring mechanism; granting of GSP and recognition of market economy status; a bilateral investment treaty that addresses double taxation and customs issues; and USG encouragement of U.S. companies to invest in Vietnam. On the GSP issue, A/S Hill noted that labor and other concerns will need to be addressed. On market economy status, he suggested further consultations; talks continue on a bilateral investment treaty, and the taxation issue will require further USG interagency consultation.

GVN Welcomes Progress in Security Cooperation

16. (SBU) Noting past progress in strengthening bilateral defense and security cooperation, VFM Trung predicted that a visit to Vietnam later this year by the Secretary of Defense would yield "special" progress. He cited the increased frequency of naval ship visits to Vietnam during 2007, adding that arrangements are under way for more visits during 2008. VFM Trung expressed hope that the United States would reduce the restrictions on Vietnam's procurement of U.S.

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defense equipment, noting the GVN's desire to obtain coastal surveillance equipment from the United States and/or other countries. A/S Hill noted that while sales of non-lethal defense equipment are possible, he was not aware of a request for surveillance equipment, which will require review.

VFM Calls for "Objective" View of Human Rights

17. (SBU) A/S Hill noted the next bilateral human rights dialogue will take place in May, saying we hope to make progress and reduce our differences on this issue. VFM Trung responded that the GVN hoped for an "objective and practical" dialogue that reflects the reality of the situation in Vietnam. He noted that the GVN favors and encourages the spiritual life of the Vietnamese people, illustrating the point with statistics showing the number of religious organizations recently recognized and churches registered. He hoped to see a reduction in our differences over religious freedom and human rights issues.

18. (SBU) The VFM noted that imprisoned dissidents Nguyen Van Ly, Nguyen Van Dai and Le Thi Cong Nhan had violated Vietnam's security laws and had been brought to court, but that the principle of leniency had been applied, particularly to "first offenders" Dai and Cong Nhan. Imprisoned activist Nguyen Quoc Quan is being held for investigation under charges of committing a terrorist act and entering Vietnam using false identification. He is in good health with proper accommodation and has received consular visits. Trung said arrangements might be made for Quan's wife to visit him in prison if MFA is given the details of her proposed visit.

19. (SBU) The VFM urged that Congress not pass the Vietnam Human Rights Act and that the U.S. Government take a tougher stand against "terrorist" groups such as the Viet Tan and the Government of Free Vietnam, groups whose activities "threaten Vietnam's security." He warned that U.S. views on the activities of these groups "affect public opinion" in Vietnam and could have a negative impact on bilateral relations. A/S Hill responded that the United States has

"no interest at all" in supporting anyone trying to overthrow the GVN. Noting that Vietnam's human rights situation is of serious concern in the United States, he urged the GVN to continue working hard to improve its record in this area.

Regional Issues: South China Sea, DPRK, Burma

¶10. (SBU) Concerning the South China Sea, VFM Trung said China's recent activities violate Vietnam's sovereignty, and are inconsistent with both the two countries' leaders' views and the ASEAN Declaration of Conduct. Both the Vietnamese public and leadership are concerned about the current situation and the GVN continues to pursue a solution through diplomatic channels. VFM Trung asked that the USG urge U.S. companies to implement their projects in the area, and to work with other countries whose commercial interests are similarly threatened by Chinese action. Vietnam will "take effective measures to protect its sovereignty and insure the implementation of these projects," said Trung. He noted the importance of maritime routes that pass through the area and expressed the hope that the United States would actively contribute to "maintaining the status quo." VFM Trung specifically asked for a U.S. statement endorsing peace and stability in the area and urging countries to refrain from threats and to respect the Declaration of Conduct. A/S Hill said the USG is concerned about Chinese pressure on U.S. companies. The USG has raised our concerns with Beijing, he noted, adding that to play a more productive global role, China needs to move its foreign policy beyond focusing only on pursuit of energy and natural resources.

¶11. (SBU) Concerning the DPRK, VFM Trung said the GVN appreciates progress on the Korean peninsula and, as a UN Security Council member, will support efforts for peace and stability in Korea. He said that while DPRK leader Kim Jong Il had accepted CPV General Secretary Nong Duc Manh's October 2007 invitation to visit Vietnam,

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no specific date for a visit has been set. Such a visit would be welcomed by the GVN and would move the Vietnam-DPRK relationship to a "new phase," as well as benefiting peace and security in the region. A/S Hill emphasized the urgency of getting the DPRK to relinquish its nuclear weapons for the sake of security in Northeast Asia.

¶12. (SBU) As a fellow ASEAN member, Vietnam would welcome political reconciliation in Burma, VFM Trung said. He expressed appreciation for the Burmese Government's efforts to implement its roadmap for democracy and its promotion of reconciliation. Trung mentioned that

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he had traveled to Burma in December 2007 for political consultations, during which he urged Burma to allow UN Special Envoy Ibrahim Gambari's speedy return. A/S Hill emphasized that keeping Aung San Suu Kyi under house arrest undermines genuine reconciliation. He expressed disappointment that Burmese leaders had not shown interest in pursuing a genuine dialogue with the United States prior to the events in August 2007, and said the U.S. public would not understand overtures to a government that continues to oppress Aung San Suu Kyi, Buddhist monks and others.

Assembly Pushes Trade, Investment, Technical Assistance

¶13. (SBU) In a meeting at the National Assembly (NA), Foreign Affairs Committee Chairman Nguyen Van Son praised improvements in the USG-GVN bilateral relationship but stated that, from the GVN's perspective, it was still "below its potential." Son specifically expressed the GVN's desire for a greater U.S. trade and investment relationship, stating that U.S. investment in Vietnam was "lacking." Hill noted that the United States was Vietnam's largest export market, and growing.

¶14. (SBU) Son noted the Ambassador's work to increase the number of Vietnamese students going to the United States, and pledged Vietnam's cooperation in expanding the bilateral education relationship. The NA is also interested in expanding defense

cooperation, inter-Parliamentarian exchanges and obtaining USG technical assistance on lawmaking. Son stressed that the NA wanted to "learn from the U.S. Congressional system" and seeks technical expertise in the legislative process, as the NA is pushing for extensive legislative and legal reform in the years to come. Asked by the Ambassador for details, Son did not identify a specific area of technical assistance but suggested a possible exchange of delegations with the U.S. Congress to begin this effort.

¶15. (SBU) A/S Hill congratulated Son on the NA's work on expanding civil society and public transparency in Vietnam. He cited the value of having more members of the U.S. Congress to visit Vietnam to see the changes that have taken place. Son added that all members of the U.S. Congress were welcome to Vietnam, and noted the several delegations that he had received in the past year. Chairman Son asked A/S Hill to convey to both the SFRC and HFAC the NA's desire to work together to further promote the bilateral relationship. A/S Hill noted the March 12 Senate Foreign Relations Committee (SFRC) hearing on Vietnam at which he would be testifying, and said the SFRC hearing would be a good venue to convey this message to the U.S. Congress, and that he would also convey this to other interested USG agencies in Washington.

Warm (Polish) Welcome From Party

¶16. (SBU) Assistant Secretary Hill received a warm welcome from Ta Minh Chau, Deputy Chairman of the External Relations Commission of the Communist Party of Vietnam (CPV). Both former ambassadors to Poland, Chau and Hill conversed for a few minutes in Polish before returning to their native languages for the discussion.

¶17. (SBU) Chau highlighted Vietnam's economic focus on achieving growth of 8.5 percent and reaching the target of \$900 USD per capita GDP, as well as expanding international trade, noting that foreign direct investment in Vietnam reached \$21 billion USD in 2007. A/S Hill commented that the U.S. was also pleased with Vietnam's economic development and the entrance of U.S. companies into the Vietnamese market.

¶18. (SBU) Underscoring Vietnam's increasing role in the international arena, Chau noted Vietnam's efforts to broaden its multilateral and bilateral relations with other countries, with a particular focus on increasing consultations with members of the UN Security Council. Chau emphasized that Vietnam recognizes the gravity of its role as a non-permanent member of the UNSC and will do utmost to fulfill this responsibility.

¶19. (SBU) Chau stressed that the CPV and the GVN attach great importance to the U.S.-Vietnam bilateral relationship and noted that the CPV would like to see more interaction between U.S. organizations and Vietnamese mass organizations (CPV organizations focused on promoting and caring for various sectors of society, including veterans, youth, and women). The CPV is very pleased to see members mass organizations going to U.S. as increased cultural exchanges promote understanding on both sides.

¶20. (SBU) On the topic of North Korea, Chau noted that CPV General
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Secretary Nong Duc Manh visited North and South Korea during

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separate trips in 2007 and that Vietnam hopes to contribute to reconciliation between the two sides. Vietnam welcomed progress in the Six-Party Talks and is willing to play a constructive role in the process. A/S Hill remarked that we hope North Korea chooses to follow Vietnam's example of economic development instead of pursuing nuclear weapons. Chau responded that, in reply to North Korea's expressed interest, Vietnam is ready to exchange information and expertise and cooperate further in areas of agriculture production and aquacultural production, including fish and shrimp farming. Chau told A/S Hill that Vietnam will welcome a delegation of North Korean officials in the first half of 2008, but North Korea has not yet responded to the CPV General Secretary's invitation to President Kim Jong Il to visit Vietnam.

Church Leaders: Progress But Problems Remain

¶21. (SBU) Assistant Secretary Hill met with Pastor Au Quang Vinh, General Secretary of the Evangelical Church of Vietnam - North (ECVN), and Catholic Father Chu Van Minh, Rector, Hanoi St. Joseph's Major Seminary. Vinh said that while the GVN had made an effort to improve religious freedom, its efforts slowed after Vietnam was removed from the Countries of Particular Concern list in 2006 and joined the World Trade Organization in 2007. Negative language in GVN training materials for local officials continues to be problematic, the policy for registration of congregations is sometimes arbitrary, and the Protestant church continues to wait for permission to print Bibles in the Hmong language for ethnic minority followers. The GVN continues to stall in responding to property and land requests, making it difficult for the church to build new facilities. Minh said that in recent years the GVN permitted the opening of six Catholic seminaries and the Catholic Church is now building two more. The GVN has also given permission to build and/or renovate Catholic churches, although a number of property disputes remain unresolved.

¶22. (SBU) When asked why the GVN creates difficulties for religious organizations, Vinh responded that the GVN views Christian religions as "too Western;" Protestantism in particular is seen as "too American" and a path to "peaceful evolution" for foreign forces to overthrow the state. Minh remarked that, in the past, the GVN thought all religion was anti-government and went on to note that if the U.S. speaks publicly too often about religious freedom, the GVN will come to believe that religion is an ally of "foreign forces."

¶23. (SBU) In response to Assistant Secretary's Hill's inquiry as to how the U.S. might help, Minh responded that the U.S. should encourage the GVN to think of religious followers as regular citizens of Vietnam who can help the nation with technical expertise on social issues. Religious freedom also means freedom to carry out charitable and social activities in the areas of poverty alleviation, education, health care and disaster relief. Vinh added that when the church is permitted to conduct charitable activities, the GVN often adds conditions and restrictions and monitors them closely to see if there is any ulterior motive behind the activity. Vinh said the U.S. should also focus on political reform as the path to full religious freedom. He recommended the U.S. continue to contact religious organizations to discuss operational problems and raise these issues with the GVN during the annual Human Rights Dialogue.

Lunch with Nongovernmental Experts

¶24. (SBU) Ambassador Michalak hosted a luncheon for A/S Hill with several leading non-governmental experts on education, the economy, media and international relations. The free-flowing discussion covered issues ranging from growing internet use throughout the country to legal reform. With 25 percent of Vietnamese reportedly online, access to the internet in Vietnam is higher per capita here than in other countries in the region. The editor of VietnamNet noted that his major online news site now receives over 100 million page hits per day, and the group also discussed the growing popularity of blogs in spreading "non-traditional information".

¶25. (SBU) In response to A/S Hill questions about the education system and other areas of reform, one participant contended that Vietnam's system of higher education in particular was "in crisis." While the Ministry had delineated a number of goals for the next 12 years, major details such as financing had yet to be addressed. For example, while Vietnam spends close to 30 percent of its GDP on education (extremely high in the region and beyond) that expenditure

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was not being managed effectively and failed to produce the expected results of such an outlay. Another area of critical need highlighted by the group was legal reform and the government's role in managing civil society and environmental needs. According to one

quest, the CPV recognizes the urgent need for the Party to examine the effectiveness of its role in the economy and society, and was in the process of conducting an internal study on how it might more effectively encourage economic growth and social development.

¶26. (SBU) Participants raised the issue of Vietnam's dispute with China in the South China Sea and echoed the MFA's call for the United States to take a public stand in support of Vietnam on the issue. A/S Hill expressed caution about the utility of the United States taking a strong public stand on the issue. An active ASEAN role and efforts from the countries involved could help to peacefully resolve the issue.

Extensive and Positive Press Coverage

¶27. (SBU) Coverage of A/S Hill's visit in the Vietnamese news was the most extensive of an official visit since this APEC summit in November 2006, and was generally positive and accurate. In addition to extensive national coverage in all major print dailies, reports of his visit and interview with Vietnam Television (VTV) were carried on both the 7 p.m. and 11 p.m. national news broadcasts. (Note: Estimated daily viewership for the 7 p.m. program alone is estimated at 20 million Vietnamese.) In addition, both major online news outlets, VietnamNet and TienPhong Online (the former which receives 100 million page hits per day) carried stories on A/S Hill's visit and press conference. Literally millions of Vietnamese saw coverage of A/S Hill's visit to Vietnam and his positive message on the bilateral relationship.

MICHALAK